

## "RAILROADS PLOT THE OVERTHROW OF ALL CONTROL," CHARGES LEADING AUTHORITY

**EDITOR'S NOTE.** — Seldom has the government undertaken an inquiry so colossal, so fraught with momentous industrial and governmental possibilities, as the Newlands congressional investigation.

Max Thelen, who writes this, is president of the National Association of Railway Commissioners, and leading authority on public utilities regulation in the country.

His views here expressed may be expected to carry great weight when presented to the Newland committee, as they shortly will be.

**BY MAX THELEN,**  
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The federal government, through joint congressional committee, is engaged in an inquiry that may result in an entire change of relationship between government and all public utilities engaged in interstate and foreign commerce.

This is the Newlands investigation, suggested by President Wilson.

It is not confined to railroads alone, but embraces all public utilities—railroads, telegraph and telephone, wireless, cable, water carriers and express companies.

The probe covers not merely regulation of these utilities, but also the entire matter of government ownership and its merits as compared to government regulation.

Meantime the railroads are furthering their purpose to take from the states their regulatory powers and to break down by sheer overwork the national body upon which they propose casting all regulative duties.

The railroads' and their allies' main efforts are being centered on the drive against the states.

It is proposed to take from the states not only all the powers they now exercise, but also to deprive them of the right to regulate and

supervise the purely local rates, service, facilities, equipment and safety operation on practically every railway in the United States.

The only powers to be left the states are to be those of taxation and police regulations which are not "vital." These powers are to be left "for the present" only, as a matter of policy.

The railroads allege that their financial difficulties have been



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caused largely by action of the states in reducing their rates to "just above the point of confiscation."

The fact is, however, that but 15 per cent of their entire traffic is state business. It is therefore difficult to understand their contention.

The railroads have chosen a particularly inopportune time to raise the cry that public regulation has driven them to the wall financially.

The fiscal year of 1915 was a good one for them; the fiscal year 1916